

AMENDED IN SENATE JANUARY 20, 2004

SENATE BILL

No. 174

Introduced by Senator Scott

(Coauthors: Assembly Members Koretz and Wiggins)

February 12, 2003

~~An act to add Section 1367.195 to the Health and Safety Code, and to add Section 10123.75 to the Insurance Code, relating to health care. An act relating to health care.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 174, as amended, Scott. Hearing aids.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the regulation of health care service plans by the Department of Managed Health Care. ~~Existing law, and requires health care service plan contracts to provide specified coverage to its for enrollees and subscribers. Existing law provides that a violation of the act is a crime.~~

Existing law provides for the regulation of health insurers by the Insurance Commissioner. ~~Existing law, and requires health insurance policies to provide specified coverage to its for insureds.~~

This bill would ~~require health care service plans and health insurers to provide coverage, up to \$1,000, for hearing aids, as defined, to all enrollees and subscribers under 18 years of age. The bill would provide that the coverage would not apply to certain types of insurance.~~

~~Because this bill would place additional requirements on health care service plans, the violation of which is a crime, the bill would impose a state-mandated local program.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.~~

~~Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason state the intent of the Legislature to enact legislation that would require health care service plans and health insurers to provide coverage for hearing aids.~~

~~Vote: majority. Appropriation: no. Fiscal committee: yes-no. State-mandated local program: yes-no.~~

The people of the State of California do enact as follows:

- 1 ~~SECTION 1.—Section 1367.195 is added to the Health and~~
- 2 ~~SECTION 1. It is the intent of the Legislature to enact~~
- 3 ~~legislation that would require health care service plans and health~~
- 4 ~~insurers to provide coverage for hearing aids.~~
- 5 ~~Safety Code, to read:~~
- 6 ~~1367.195. (a) Every health care service plan contract that~~
- 7 ~~covers hospital, medical, or surgical expenses on a group basis,~~
- 8 ~~that is issued, amended, or renewed on or after January 1, 2004,~~
- 9 ~~shall provide coverage for hearing aids, up to one thousand dollars~~
- 10 ~~(\$1,000), to all enrollees and subscribers under 18 years of age.~~
- 11 ~~(b) For purposes of this section “hearing aid” means any~~
- 12 ~~nonexperimental, wearable instrument, or device designed for the~~
- 13 ~~ear and offered for the purpose of aiding or compensating for~~
- 14 ~~impaired human hearing, but excluding batteries and cords.~~
- 15 ~~(c) It shall remain within the sole discretion of the health care~~
- 16 ~~service plan as to the provider of hearing aids with which they~~
- 17 ~~choose to contract. Reimbursement shall be provided according to~~
- 18 ~~the respective principles and policies of the health care service~~
- 19 ~~plan. Nothing contained in this section shall preclude a health care~~
- 20 ~~service plan from conducting managed care, medical necessity, or~~
- 21 ~~utilization review.~~
- 22 ~~SEC. 2.—Section 10123.75 is added to the Insurance Code, to~~
- 23 ~~read:~~
- 24 ~~10123.75. (a) Every policy of health insurance that covers~~
- 25 ~~hospital, medical, or surgical expenses, that is issued, amended, or~~
- 26 ~~renewed on or after January 1, 2004, shall provide coverage for~~
- 27 ~~hearing aids, up to one thousand dollars (\$1,000), to all insureds~~
- 28 ~~under 18 years of age.~~

1 ~~(b) For purposes of this section “hearing aid” means any~~
2 ~~nonexperimental, wearable instrument, or device designed for the~~
3 ~~ear and offered for the purpose of aiding or compensating for~~
4 ~~impaired human hearing, but excluding batteries and cords.~~

5 ~~(c) It shall remain within the sole discretion of the health~~
6 ~~insurer as to the provider of hearing aids with which they choose~~
7 ~~to contract. Reimbursement shall be provided according to the~~
8 ~~respective principles and policies of the health insurer. Nothing~~
9 ~~contained in this section shall preclude a health insurer from~~
10 ~~conducting managed care, medical necessity, or utilization review.~~
11 ~~This section shall not apply to Medicare supplement, vision-only,~~
12 ~~dental-only, or Champus supplement insurance, or to hospital~~
13 ~~indemnity, accident-only, or specified disease insurance that does~~
14 ~~not pay benefits on a fixed benefit, cash payment only basis.~~

15 ~~SEC. 3.—No reimbursement is required by this act pursuant to~~
16 ~~Section 6 of Article XIII B of the California Constitution because~~
17 ~~the only costs that may be incurred by a local agency or school~~
18 ~~district will be incurred because this act creates a new crime or~~
19 ~~infraction, eliminates a crime or infraction, or changes the penalty~~
20 ~~for a crime or infraction, within the meaning of Section 17556 of~~
21 ~~the Government Code, or changes the definition of a crime within~~
22 ~~the meaning of Section 6 of Article XIII B of the California~~
23 ~~Constitution.~~